

- (ix) a substantial increase of the Pension Fund allowable expenses under section 47 used in the previous actuarial valuation;
 - (x) an extension of or removal from pension coverage for defined groups of employees; and
 - (xi) any other measure that would impact the actuarial equilibrium.”;
- (y) by adding new subsections (6), (7) and (8) to section 56 as follows—
- (6) There is established an Appeals Committee of the Medical Board comprising three members appointed by the Board to hear and determine appeals from the Medical Board.
- (7) The members of the Appeals Committee shall hold office on such terms and conditions as the Board may determine.
- (8) A member aggrieved by a decision of the Medical Board may appeal to the Appeals Committee of the Medical Board.”;
- (z) by repealing section 65 (2).

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 7th December, 2018.



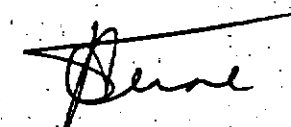
Mrs. Tania Isaac
Deputy Clerk to the National Assembly



**SEYCHELLES PENSION FUND (AMENDMENT)
ACT, 2018**

(Act 13 of 2018)

I assent

Danny Faure
President

19th December, 2018

AN ACT to amend the Seychelles Pension Fund Act (Cap 220).

ENACTED by the President and the National Assembly.

1. This Act may be cited as the Seychelles Pension Fund (Amendment) Act, 2018.

Short title

Amendment of
Cap 220

2. The Seychelles Pension Fund Act (Cap 220) is hereby amended as follows—

(a) in section 2—

(i) by inserting after the definition “mandatory contribution”, the following definition “Medical Board means the Medical Board appointed under section 56”;

(ii) by repealing the definition of retirement and substituting therefor the following definition—

“retirement” means retirement from work at the age of 60 years or at any time thereafter;”

(iii) by repealing in the definition of “spouse” in paragraph (b) the words “for a period of at least three years” and substituting therefor the words “for a period of at least seven years”; —

(b) by repealing in section 4(d) the words “reaching retirement age” and substituting therefor the word “retirement”;

(c) (a) by repealing in section 5, subsection (3);

(d) in section 7—

(i) by repealing in paragraph (a) the words “involve in dishonesty” and substituting therefor the words “which materially affects his or her character or credibility”;

(ii) by repealing in paragraph (c) the words “carrying out the person's function” and

indexation formula or the index cap;

(ii) an increase or decrease in the rates of employer or employee contributions;

(iii) an increase or decrease in the amount of the maximum or minimum pensionable salary;

(iv) an increase or decrease in the amount of the maximum or minimum pension;

(v) a change to the eligibility rules for the maximum or minimum pension amount;

(vi) an adjustment to the pension formula used to calculate each pensioner's lifetime benefit;

(vii) an increase or decrease in early or normal retirement age;

(viii) a substantial decrease of the Pension Fund investment gains or investment losses used in the previous actuarial valuation;

(6) The Board may make available a copy of the report and audited statement of account on the Pension Fund's website.”;

(w) by repealing section 54;

(x) by repealing section 55 and substituting therefor the following section and marginal note —

Actuarial
investigation
of the Fund

“55.(1) The Board shall at intervals of not more than 3 years conduct an actuarial investigation of the assets and liabilities of the Fund by an approved actuary.

(2) Notwithstanding subsection (1) the Board may at any time conduct actuarial investigations to evaluate parametric changes.

(3) For the purpose of this section —

(a) “approved actuary” means an actuary who is a credentialed member or fellow of the International Association of Actuaries appointed by the Board; and

(b) “parametric changes” includes —

(i) an increase or decrease in the pension

substituting therefor the words “carrying out the person’s function.”;

(e) by repealing subsection (4) of section 10 and substituting therefor the following —

“(4) The Chairman or, in his or her absence, a member of the Board, other than the Chief Executive Officer or the Secretary, nominated by the Chairman, shall preside at meetings of the Board.”

(f) by inserting in section 18 after subsection (6) the following subsection —

“(7). A member who has taken his or her retirement shall not make any further contribution to the Fund.”;

(g) in section 20 —

(i) by repealing subsection (1) (b) and substituting therefor the following subsection —

“(b) when the member retires; or”

(ii) by repealing in subsection (2) the words “who has not attained retirement age”;

(h) by repealing subsection 23 (2) and substituting therefor the following subsection —

“(2) The surcharge under subsection (1) shall, when paid or recovered, be credited to the general account in the Fund.”;

(i) by repealing in subsection 28 (2) (iii) the words “on reaching retirement age” and substituting therefor the words “upon retirement”;

- (j) by repealing in section 31 (1) the words "on reaching retirement age" and substituting therefor the words "upon retirement";
- (k) in section 34—
- (i) by repealing in subsection (1) the words "reaching retirement age" and substituting therefor the word "retirement";
- (ii) by repealing in subsection (2) the words "reaching retirement age" and substituting therefor the word "retirement";
- (l) in section 35, by inserting "(1)" after 35 and adding the following new subsections—
- (2) Subject to subsection (3), where a member who is receiving a retirement pension dies and leaves behind, other than a spouse, a dependent person with severe disabilities as certified by the Medical Board, the dependent may claim a pension equivalent to 40% of the member's pension.
- (3) The claim shall be accompanied by an affidavit establishing the dependency sworn, affirmed or solemnly declared by the dependent or by the dependent's guardian or custodian.
- (m) by repealing in section 38 (1) the words "reaching retirement age" and substituting therefor the word "retirement";
- (n) by repealing in section 39 the words "reaching the retirement age" and substituting therefor the word "retirement";
- (o) in section 40—

- Accounts and Audit
- 53.(1) The Board shall cause to be kept proper accounts of the Fund and all other books and records in which it shall record all its financial transactions.
- (2) The Board shall create, maintain and ensure adequate back-up of an electronic recordkeeping database of records and transactions of all employers, contributors, pensioners, survivors and other eligible recipients.
- (3) There shall be appointed by the Board on the recommendation of the Audit Committee a head of internal audit who shall report to the Audit Committee.
- (4) The accounts of the Fund shall be audited by the Auditor General in accordance with Article 158 of the Constitution.
- (5) The Board shall prepare within 3 months following every financial year of the Fund an annual report of its activities and submit a copy of the report and the statement of accounts audited under subsection (3) to the Minister and the Minister shall cause the same to be tabled before the National Assembly.

- independent persons having expertise in the relevant field into which investment is to be made; or
- (b) the investment is in line with the Investment Policy under section 51.;
- (t) by repealing section 51 and substituting therefor the following section and marginal note —

Investment
Policy

“51.(1) The Board shall prepare, maintain and from time to time revise, an Investment Policy for investment by the Fund, which shall include—

- (a) the kinds of allowable and prohibited investments;
- (b) allowable limits and range of permissible investment defined by the Board;
- (c) allowable risks defined by the Board;
- (d) the expected return on investments; and
- (e) such other matters as may be relevant.”;
- (u) by repealing section 52;
- (v) by repealing section 53 and substituting therefor the following section and marginal note—

- (i) by repealing in subsection (1) the words “obtained the retirement age” and substituting therefor the words “taken retirement”;
- (ii) by repealing in subsection (4) the words “on reaching retirement age”;
- (iii) by inserting after subsection (4) the following subsection—

“(5) Where a member who is receiving a retirement pension dies and leaves behind other than the spouse a dependent with severe disabilities certified by the Medical Board established under this Act may claim for a pension of 40% of the member's pension provided that a sworn affidavit by the dependant or by his or her guardian regarding the dependency shall be furnished with the claim.”;

- (p) by repealing in section 42 (1) the words “on attaining the age of 63” and substituting therefor the words “upon retirement”;
- (q) by inserting after subsection 43(2) the following subsections—

“(3) A member who has been certified by the Medical Board to be terminally ill may apply for a full refund of either or both mandatory or voluntary contributions with interest standing in the account of the member.

(4) A member who has received a full refund of his or her mandatory contribution under subsection (3) shall not be eligible to claim a monthly retirement pension or incapacity pension.

(5) A member may upon attaining the age of 55 years elect to receive his or her voluntary contribution entirely or partially by way of a lump sum.”;

- (r) by repealing section 47 and substituting therefor the following section and marginal note—

Pension Fund “47.(1) The Seychelles Pension Fund shall consist of—

- (a) contributions paid, received or recovered under this Act;
- (b) contributions received under section 18 of this Act;
- (c) surcharges, fines or penalties imposed by the Fund or ordered by the Court;
- (d) all moneys collected and accounted under the Seychelles Pensions Scheme as at 31st December, 2005;
- (e) grants and donations; and
- (f) all investments and bank accounts owned by the Fund and income, interest, rent, profits and earnings generated or

losses incurred by the investments.

(2) There shall be paid out of the Fund—

- (a) all benefits under this Act;
- (b) all allowable expenses incurred;

(3) For the purpose of this section “allowable expenses” means expenses incurred in the administration, operation, record keeping, investment of the Fund, expenses of the Board including remuneration and training of Members of the Board and such other expenses properly incurred by the Board.”;

- (s) by repealing section 50 and substituting therefor the following section and marginal note—

Investment “50.(1) The funds of the Fund which are not required for the time being for the purpose of the Fund shall be invested with the approval of the Board in such type and class of international or domestic investment, at specific levels and at such frequency consistent with the Pension Fund Investment Policy under section 51.

(2) The Board shall not make an investment unless—

- (a) it has obtained and considered advice from